

## Program Letter

Division of Environmental and Regulatory Services

# Retail / Non Retail Designation and Storage Tank Inspection Responsibilities

Wisconsin Administrative Code Chapter ILHR 10 regulates vehicle fuel dispensing from aboveground and underground tanks. A *service station* is considered to be any location where fuel is dispensed into motor vehicles. The code categorizes service stations in terms of vehicle fueling applications to include: marinas, private airports, retail, commercial, industrial, government establishments, residences, farms and construction projects. A dispenser setback of *less than 30 feet* from an aboveground tank is not allowed by the code for retail dispensing into vehicles. Because the *retail* designation is the key to code application, a policy is necessary to provide uniformity and clarification. The designation of what is a retail application is intended to describe dispensing applications that are defined as retail and provide guidance in regulatory application.

The designation of responsibility is intended to assign UST and AST annual permit and maintenance inspection responsibilities between the Bureau of Retail Petroleum Services and the Bureau of Storage Tank Regulation, of the Environmental and Regulatory Services Division. Installation plan review and installation inspection will remain the responsibility of the Bureau of Storage Tank Regulation for all storage tank systems.

For programmatic purposes, a site is considered to provide retail fuel dispensing if it has any one of the following characteristics:

- Cash, charge account or credit card transactions for the purchase/sale of vehicle fuel to the public.
- A common or frequent business transaction is dispensing and selling fuel by a unit measure to the drive-up/walk-up general public.
- Offers contractual agreements for ongoing vehicle fueling.
- Vehicle(s) fueled are not associated with a company fleet which is under the direct management or ownership of the party owning the fueling facility.

## **Fleet Operations, Commercial (non vehicle rental/leasing businesses) and Governmental Facilities**

NFPA 30A-1-2 (1996 Edition) defines Fleet Vehicle Service Station as - That portion of a commercial, industrial, governmental, or manufacturing property where liquids used as fuels are stored and dispensed into the fuel tanks of motor vehicles that are used in conjunction with such businesses, by persons within the employ of such businesses.

Municipal fleets, freight distribution companies, commercial business fleets, and government fleets represent non retail fuel distribution operations as long as the fueling is limited to their own fleet vehicles. Fleets such as Sysco Foods, Roundy's, Yellow Freight, UPS, GTE, and City of Madison are examples. Inspection responsibility is maintained by the Bureau of Storage Tank Regulation LPO program.

An organization which conducts vehicle fueling and bills the fuel to sub-units within the organization is also considered *non retail fueling*. Examples: Wisconsin DOA Fleet billing to the Department of Commerce, MG&E Fleet billing to MG&E Meter Department. Programmatic responsibility is maintained by the Bureau of Storage Tank Regulation LPO program.

## **Commercial Retail Fleet Facility**

Fleet facilities which provide fuel to owner-operators and bill the owner-operators for the fuel are considered *retail*. Schneider Trucking and Wausau Homes are examples. Inspection responsibility is maintained by the Retail Petroleum Services Bureau.

### **Rental and Leasing Non Retail Facilities**

As a general principle, vehicle fueling of rental vehicles or equipment is considered core to the business function of vehicle rental.

Equipment rental facilities that rent non highway vehicles, and subsequently provide fuel dispensing for the respective equipment *only*, are considered non retail. Typically these businesses provide equipment for work or pleasure. The equipment is rented with a full tank of fuel and is topped-off when the equipment is returned. The price of the fuel at the equipment rental agency typically does not reflect traditional market competition or fluctuations. Sites that rent hand-tools, lawn equipment, construction equipment, All-terrain vehicles (ATVs), snowmobiles, jet skis, amusement rides, etc. are in this category. Inspection responsibility is maintained by the Bureau of Storage Tank Regulation LPO program.

Facilities that rent vehicles to a single patron for a duration of time and do not provide retail fuel dispensing to other non agency vehicles are considered to be *non retail*. Typically these businesses provide a full tank of fuel at the beginning of the rental period and fuel the rental vehicle only on the rental return. Fueling is conducted by an employee of the rental company, and renters do not bring their vehicle to a rental franchise for fuel during the rental period. A typical car rental agency is not administratively structured to accommodate a fuel sales only transaction. Frequently, the price of the fuel at the car rental agency does not reflect traditional market competition or fluctuations. Avis, Hertz, and National Car Rental are examples. Inspection responsibility is maintained by the Bureau of Storage Tank Regulation LPO program.

Vehicle rental facilities that lease vehicles and intermittently fuel the leased vehicle, or another vehicle associated with a lease contract, are considered *retail* based upon industry practices that the department has witnessed. Typically these facilities are truck facilities, renting the power unit and/or the trailer unit. A common practice of truck lease facilities is to allow the leasee of trailers to fuel their owner/operator semi tractor units. Fueling contracts, fueling incentives, card readers, and public sales are frequently featured. The Bureau of Retail Petroleum Services maintains inspection responsibilities.

### **Public Retail Fuel Dispensing**

Public retail facilities do not restrict who is allowed to purchase fuel at the dispenser. Facilities that provide retail fuel dispensing for highway vehicles, marine craft, snowmobiles, ATVs and space heaters are in this category. Typical sites are auto/truck service stations, marinas, resorts, and taverns.

This classification of retail fueling also includes sites where petroleum vendors place ASTs on their property, frequently at their bulk plant sites, and solicit use by clients who will purchase fuel by the transport load or other large bulk volumes. The subject storage tank is designated for use only by a specific customer. The customer is billed for the bulk delivery, rather than from the dispenser reading associated with individual vehicle fuel transfers. The characteristics are:

- ◆ The *site* is owned by the fuel vendor.
- ◆ The *AST* is owned by the fuel vendor.

The Bureau of Retail Petroleum Services maintains inspection responsibilities.

### **Private Retail Fueling**

A private retail facility is a facility that restricts membership or restricts the individuals that the facility interacts with, but provides vehicle fuel on a cash, credit card, or charge account arrangement.

Typically, these facilities are clubs or resorts that provide retail fuel dispensing for snowmobiles, marine

craft, ATVs, and portable containers. The Bureau of Retail Petroleum Services maintains inspection responsibilities.

**Note:**

If a site has both retail and non retail fueling, the site is under the programmatic responsibility of the Retail Petroleum Services Bureau. This minimizes repetition of site visits by regulators as the Bureau of Retail Petroleum Services' inspectors must periodically visit the facility to address retail sales issues that LPOs do not address.

Any site considered to be retail is expected to maintain approved dispensers and required labeling, etc.

**Key compliance items for retail classification:**

- ◆ Name & grade of product.
- ◆ Octane labeling.
- ◆ Price labeling.
- ◆ Dispenser setback.
- ◆ Record keeping.
- ◆ Signage.
- ◆ Operating and emergency instructions.

<b>Fuel dispensing examples:</b>	<b>Responsibility</b>
Vendor rents recreational equipment. Fuel is furnished only to equipment under the responsibility of the vendor as a part of the rental.	STR
Vendor rents recreational equipment. Fuel is furnished to equipment under the responsibility of the vendor and also sold to the public.	RPS
Vendor furnishes fuel to the general drive-up/walk-up public for dispensing into recreational vehicles and/or portable containers.	RPS
Vendor furnishes fuel for dispensing into portable containers only.	RPS
Resort accommodates members only and sells fuel to owners and operators or sells fuel to members using resort owned equipment.	RPS
Car rental agency tops off rental return and bills top-off fuel to customer.	STR
Truck leasing agency provides fuel to lease customers on an ongoing basis via lease agreement.	RPS
Vehicle rental agency provides fuel on cash or credit basis to any vehicle operator requesting fuel.	RPS
Equipment rental agency tops off rental return and bills top-off fuel to rental customer.	STR
Vendor provides tank and tank site for customer fueling. Vendor charges customer for fuel by bulk delivery.	RPS

Responsibility: RPS - Bureau of Retail Petroleum Services, STR - Bureau of Storage Tank Regulation

Division of Environmental and Regulatory Services  
PO Box 7969  
Madison, WI 53707

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